

Notice of Intent to Certify Sole Source

To: Interested Parties
From: David C. Johnson
CC: ITS Project Number 46198
Date: January 12, 2021
Re: Sole Source Certification Number 4362 to provide Clinical Decision Support Software for the Mississippi State Hospital (MSH)
Contact Name: Jay Woodruff
Contact Phone Number: 601-432-8001
Contact E-mail Address: jay.woodruff@its.ms.gov

Sole Source Certification Award Details

Regarding Information Technology Services (ITS) Sole Source Certification Number 4362 for the Mississippi State Hospital (MSH), please be advised that ITS intends to award Change Healthcare Technologies, LLC, as the sole source provider of Clinical Decision Support Software through February 28, 2024, in an amount not to exceed \$127,317.00. Please be advised that ITS will determine if additional licenses, modifications, training, upgrades, or enhancements are within scope during the certification period and may increase the spending authority accordingly. Should Change Healthcare Technologies, LLC change their name during this certification period, then ITS will determine if a recertification is necessary. For an explanation regarding Mississippi state law, policy and procedures for sole source procurements, refer to Attachment C: Sole Source Procurement Overview.

Sole Source Criteria

1. The product or services being purchased must perform a function for which no other product or source of services exist:

MSH has used InterQual Clinical Content for utilization management of medical-surgical patients and inpatient psychiatric patients ages 4-12, adolescents, adults, and geriatric since 1999. More recently, InterQual products have been used in the certification process for the adolescent substance use disorder patients. Change Healthcare Technology, LLC's InterQual Clinical Content includes utilization management, case management, regulatory compliance, and quality control. The InterQual solution is utilized by hospitals throughout Mississippi, including the contractor that reviews records for the Mississippi Division of Medicaid. Nationally, 91% of hospital discharges and admissions are informed by InterQual Clinical Content. MSH has made the business decision to continue its use of InterQual and

associated products that MSH has licensed all or in part since 1999. The customer's sole source certification request is included as Attachment A.

2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services:

Continued use of InterQual Clinical Content will allow MSH to determine the medical necessity of patients. This solution is a tool used in the process to obtain reimbursement for the various populations served at MSH. The customer's sole source certification request is included as Attachment A.

3. The product or services must be available only from the manufacturer and not through resellers who could submit competitive pricing for the product or services:

Change Healthcare Technologies, LLC is the sole manufacturer and authorized supplier of InterQual, including all related Change Healthcare-developed or owned modules, updates, enhancements, and releases. The software was developed by Change Healthcare and only Change Healthcare is authorized to supply you with (a) implementation, validation, and upgrade services; (b) support and maintenance services; (c) diagnostics and defect analysis; and (d) consulting, education, and training in connection with the software. The Vendor's sole source certification letter is included as Attachment B.

Schedule

Task	Date
First Advertisement Date	01/12/21
Second Advertisement Date	01/19/21
Response Deadline From Objectors	01/27/21 at 3:00 P.M. Central Time
Notice of Award/No Award Posted	Not before 01/28/21

Project Details

MSH has used the printed version of the InterQual Clinical Content as the framework for their business processes since 1999 but was no longer published after 2016. In October 2015, ITS issued Sole Source Certification Number 3929 for InterQual Clinical Content software for utilization management and received no objections. The software allows MSH to automate workflows to achieve greater consistency from reviewer to reviewer. InterQual improves process as it has the ability to collect and organize data to identify trends, meet regulatory requirements, explore reasons behind utilization patterns, and identify areas for quality improvement. In addition, the software meets recognized Utilization Review Accreditation Commission (URAC) standards in the Health Utilization Management Program. MSH has made the business decision to continue utilizing the InterQual suite of products.. The total purchase approval of the software solution is \$221,930.05.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the Clinical Decision Support Software should not be certified as a sole source should provide information in the following format for the state to use in determining whether or not to proceed with awarding the Sole Source contract to Change Healthcare Technologies, LLC.

1.1 Interested Party Information

- 1.1.1 Contact Name, Phone Number and email address
- 1.1.2 Company Website URL, if applicable
- 1.2 Objection to Sole Source Certification
 - 1.2.1 Interested parties must present specific objections to the Sole Source certification using the criteria listed above.
 - 1.2.2 A statement regarding the Interested Party's capabilities as related to this Sole Source Certification Request.
- 1.3 Comments will be accepted at any time prior to Wednesday, January 27, 2021, at 3:00 p.m. (Central Time) to Jay Woodruff at jay.woodruff@its.ms.gov or at the Mississippi Department of Information Technology Services, 3771 Eastwood Drive, Jackson, Mississippi 39211. Responses may be delivered by hand, via regular mail, overnight delivery, e-mail or by fax. Fax number is (601) 713-6380. ITS WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach ITS on time. Interested Parties may contact Jay Woodruff to verify the receipt of their Responses. Responses received after the deadline will be rejected.
- 1.4 Interested Party responses should include the following information:

<p style="text-align: center;">SUBMITTED IN RESPONSE TO Sole Source Certification No. 4362-46198 Accepted until January 27, 2021 @ 3:00 p.m., ATTENTION: Jay Woodruff</p>

If you have any questions concerning the information above or if we can be of further assistance, please contact Jay Woodruff at 601-432-8001 or via email at jay.woodruff@its.ms.gov.

Attachment A: Customer Sole Source Certification Request
Attachment B: Vendor Correspondence
Attachment C: Sole Source Procurement Overview



Sole Source Certification Request

Project Title: Clinical Decision Support Software		Stimulus (ARRA) Funds? Yes__ No <u>X</u>	
Customer Contact Information			
Agency/Public University: Mississippi State Hospital Address: P.O. Box 157-A Whitfield, MS 39193		Contact Person: Chad Rommerdale Phone: 601-351-8224 Email Address: chad.rommerdale@msh.ms.gov	
MAGIC Customer Number (only required from state agencies): 7000000269 (MSH – Accounts Payable)		Division/Dept: Information Management Handmail: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Project Summary Narrative Description of Project (include details of original acquisition if applicable): MSH requires a clinical decision support system to determine the medical necessity of hospital admissions. MSH currently uses Change Healthcare InterQual software.			
ITS Acquisition Approval (CP-1) should be effective through this date (Please allow time for all vendor invoices to be paid):			
Cost Estimates Fiscal Year	Initial Costs	Ongoing Costs	Time Constraints Item Needed by: 1/15/2021 Funds Expire:
2021		\$42,439.00	Anticipated Lifecycle of Products/System (i.e. estimated years of effective use): 3 years Discuss Funding (e.g. how much of needed funding is definite; total project budget; any matching or other non-state funds) 100% General
2022		\$42,439.00	
2023		\$42,439.00	
Total		\$127,317.00	
Acquisition Details			
Items Requested	Description		Building Location(s)
InterQual Content	InterQual Criteria		MS State Hospital, Oak Circle Center, Whitfield Med-Surgical Hospital
InterQual Review Manager	Hosted Software, Interrater Reliability, IQ View, Learning Basics		MS State Hospital, Oak Circle Center, Whitfield Med-Surgical Hospital
Symphonia HL7 Interface Enabler	Allows for information to be shared by external systems		MS State Hospital, Oak Circle Center, Whitfield Med-Surgical Hospital
Business Objects Crystal Reports 2008 Runtime	Report Writer/Viewer		MS State Hospital, Oak Circle Center, Whitfield Med-Surgical Hospital
Oracle JRE	Corporate Oracle OJDBC6 v11		MS State Hospital, Oak Circle Center, Whitfield Med-Surgical Hospital
Describe platform & infrastructure (connectivity; software/hardware platforms; utilization of State Data Center resources: mainframe, eGovernment portal, payment engine, document management, hosting). For equipment or hosting outside the State Data Center, attach justification: ASP model hosted on the vendor's US servers			
Progress to Date: What has been done related to this project, including any communication with ITS staff (data/voice/procurement/other)?			
Sole Source Certification Note: Certification must be renewed for each revision or continuation of previous Sole Source Approvals.			
Specific business requirements to be met by the requested products or services: Continued use of InterQual Clinical Content will allow MSH to determine the medical necessity of patients. This solution is a tool used in the process to obtain reimbursement for the various populations served at MSH.			
Explain why these products or services are the only ones that can meet your needs (include unique features/special functionality): MSH has used InterQual Content for utilization management of medical-surgical patients and inpatient psychiatric patients age 4-12, adolescents, adults, and geriatric since 1999. InterQual has been used in the certification process for the adolescent substance use disorder patients. Change Healthcare Technology, LLC's InterQual Clinical Content includes utilization management, case management, regulatory compliance, and quality control. The InterQual solution is utilized by hospitals throughout Mississippi, including the contractor that reviews records for the Mississippi Division of Medicaid. Nationally, 91% of hospital discharges and admissions are informed by InterQual content. MSH has made the business decision to continue its use of InterQual and associated products that MSH has licensed all or in part since 1999.			
Explain why the source is the only entity that can provide the products or services (Include other products/vendors researched or evaluated): Change Healthcare Technologies, LLC is the sole manufacturer and authorized supplier of InterQual, including all related Change Healthcare-developed or owned modules, updates, enhancements, and releases. The software was developed by Change Healthcare and only Change Healthcare is authorized to supply you with (a) implementation, validation, and upgrade services; (b) support and maintenance services; (c) diagnostics and defect analysis; and (d) consulting, education, and training in connection with the software.			
Vendor's Certification of Sole Source attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Vendor's proposal attached: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
MAGIC Vendor Code(s) Vendor must be in MAGIC before a CP-1 can be issued.			
Place Order To		Remit To	
Vendor Name: Change Healthcare Technologies LLC Vendor Address: 22423 Network Place Chicago, IL 60673-1224		Vendor Name: Change Healthcare Technologies LLC Vendor Address: 22423 Network Place Chicago, IL 60673-1224	

By my signature, I certify that, to the best of my professional knowledge: the requested product or services are a sole source as outlined in the ITS Procurement Handbook, Rule 207.2:013-030 Procurement Types: Sole Source, and as outlined in Mississippi Code annotated Section 31-7-13. In addition, I acknowledge that there is a charge for ITS procurement services associated with this request which will be billed to the requestor by ITS and that my agency/public university is responsible for these charges/costs.

Denise Jones

Name (Agency Head or Public University CIO)/Title

DocuSigned by:
Denise Jones 1/8/2021
Signature Date
E9E98E9B87445E...



Date 11/30/2020

Julie Johnson
Mississippi State Hospital

Mississippi State Hospital
3550 Highway 468
West/P.O. Box 157-A
Whitfield, Ms. 39193

P 601-351-8000 ext.
4195
F 601-351-8257

RE: Change Healthcare Technologies, LLC Authorized Provider
of Services and Products

Please be advised that Change Healthcare is the sole manufacturer and authorized supplier of InterQual, including all related Change Healthcare-developed or owned modules, updates, enhancements, and releases as described in your software license agreement. The software was developed by Change Healthcare and only Change Healthcare (or specific Change Healthcare-designated third parties) is authorized to supply you with (a) implementation, validation and upgrade services; (b) support and maintenance services; (c) diagnostics and defect analysis; and (d) consulting, education, and training in connection with the software.

Please let me know if you have any questions or if you need additional information.

Sincerely,

Keith Andelman

Keith Andelman
VP, Sales and Development

The acquisition of information technology for all state agencies and institutions of higher learning (IHLs) is within the scope of the ITS law, found in Mississippi Code Section 25-53-1, et seq., and the policies and procedures established in accordance with this statute, found in the ITS Procurement Handbook posted on the ITS website (www.its.ms.gov).

ITS enabling legislation requires that information technology hardware, software and services be acquired in a manner that insures the maximum of competition among all manufacturers and suppliers of such equipment and services. Accordingly, ITS promotes full and open competition through the issuance of open specifications and the objective evaluation of Interested Party proposals to determine the lowest and best offering to meet an agency's or public university's business requirements. True competition protects the integrity and credibility of purchasing in the public sector and is essential in providing best value and adequate contractual protection for the purchasing entity. In certain limited situations, information technology acquisitions may be sole-sourced.

ITS utilizes the provisions of Public Purchasing Law for Sole Source and Emergency procurements of information technology. Mississippi Public Purchasing Law (Mississippi Code Section 31-7-13) specifies that noncompetitive items available from one source only be exempted from bid requirements (sole-sourced). ITS statute, in Section 25-53-5 (p), permits ITS to utilize provisions in Public Purchasing Law or regulations, when applicable.

Per Public Purchasing law, acquisitions must meet the following criteria to be authorized as sole source:

1. The product or services being purchased must perform a function for which no other product or source of services exists,
2. The purchaser must be able to show specific business objectives that can be met only through the unique product or services, AND
3. The product or services must be available only from the manufacturer and NOT through resellers who could submit competitive pricing for the product or services. The vendor's correspondence regarding this criterion for this project is included as Attachment B.

By policy as documented in the ITS Procurement Handbook, acquisitions of IT services must include the following information to be authorized as sole source:

1. An explanation about why the amount to be expended is reasonable, and
2. An explanation regarding the efforts by the purchaser to obtain the best possible price.

For state agencies, approval of all technology purchases with a lifecycle cost of \$5,000 or less, including sole source purchases, has been delegated to the agency. The ITS Procurement Limits Policies for Agencies (a section in the ITS Procurement Handbook) require a minimum of two competitive written bids or proposals for technology purchases with a lifecycle cost over \$5,000 but not over \$50,000 (not over \$25,000 for projects funded by the American Recovery and Reinvestment Act). Since, for single source items, the procuring agency will be unable to obtain two written bids, ITS must certify all sole source acquisitions of information technology with a lifecycle cost greater than \$5,000.

Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs (a section in the ITS Procurement Handbook). For the certification of sole source procurements delegated to the CIOs at public universities, the public university must follow ITS' Sole Source Procedure, including advertisement of the intent to award as sole source. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented

in writing by the institution and the Interested Party prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.

Other than the delegations outlined above, all sole source technology procurements must be certified by ITS. The customer's Sole Source Certification Request for this project is included as Attachment A.

ITS thoroughly reviews Sole Source Certification Requests, determining if competing products and/or services exist. If so, ITS conducts a competitive procurement. If ITS' review confirms the sole source, then a Sole Source advertisement is issued, giving other Interested Parties an opportunity to identify competing products and/or services. Based upon the results of the Sole Source advertisement, ITS will either certify the request as a sole source or conduct a competitive procurement.